Joint Base Operations and Support Contract

Performance Surveillance Plan

Cape Canaveral Spaceport Management Office (CCSMO or JP)

Approved _____
Executive Director of the Cape Canaveral Spaceport Management Office

1.0 INTRODUCTION

1.1 Background: The Join Base Operations and Support Contract (J-BOSC) Performance Surveillance Plan has been developed and designed to aid the Contracting Officer's Technical Representative (COTR) in providing effective and systematic surveillance and Implementation of the surveillance plan is expected to be a dynamic process resulting in frequent updates throughout the life of this contract. Surveillance will be accomplished via insight into the contractor's operational and cost performance with emphasis on achievements essential to reach the J-BOSC Statement of Objectives (SOO). These objectives directly support the strategic missions of the Kennedy Space Center and 45th Space Wing. The overall vision of the J-BOSC is to provide premiere base support for the entire spacelift community by facilitating safe and affordable access to space (See Appendix A). The contractor is responsible for providing services that meet or exceed the following overarching J-BOSC mission objectives derived from J-BOSC SOO and partnered with the contractor.

Objective 1:
Safety, Health & Environmental Leadership – Includes Proactive Resource Stewardship, and Motivating and Sustaining the Workforce.

Objective 2:
Keep the Plant Running – Includes Mission Readiness, Safe and Secure Operations, Systems Reliability, and Availability and Integrity.

Objective 3:
Customer Satisfaction-Includes Interactive and Proactive Customer Support, Customer Confidence, Flexibility in Meeting Changing Mission Requirements and Supporting Multiple Customers with Conflicting Requirements.

Objective 4:
Expanded Capability-Includes Visionary Long Range Planning, Infrastructure Modernization, and Capital Investments.

Objective 5:
Best Value-Includes Risk Management, Unified Operations, Reduced Dependency on Government Furnished Equipment, First Time Quality, Continuous Improvement, and Innovation.

The contractor's degree of success in achieving these objectives will be measured as indicators of contractor performance and will be the foundation of the award fee evaluation.

1.2 Responsibilities: Responsibilities for each entity involved in J-BOSC surveillance and performance evaluation are described below:

1.2.1 The J-BOSC Contracting Officer (CO) is responsible for effective contracting and ensuring performance of all necessary actions for effective contracting, ensuring compliance with the terms of the contract.

1.2.2 The CCSMO Executive Director serves as the designated Contracting Officer's Technical Representative (COTR). The primary COTR function is to serve as technical liaison between the Contractor and the CO. The COTR is responsible for services under the contract. The CCSMO Executive Director is a non-voting member of the Board of Directors and is responsible for assimilating performance surveillance data summaries into an award fee report to be presented to the Board of Directors.

1.2.3 The CCSMO is responsible for assisting the COTR. The CCSMO will maintain insight into the J-BOSC contractor performance using Integrated Product Teams (IPTs) (A list of the IPTs is available at the following website: http://jpmo-internal.ksc.nasa.gov). The CCSMO/IPTs will accomplish insight through surveillance and track contractor delivery of products and services as defined in the contract. The CCSMO provides centralized direction to the various IPTs, consolidates all findings into a performance assessment, and presents the findings/assessments to the COTR. It is the responsibility of the CCSMO to organize and provide leads to the IPTs.

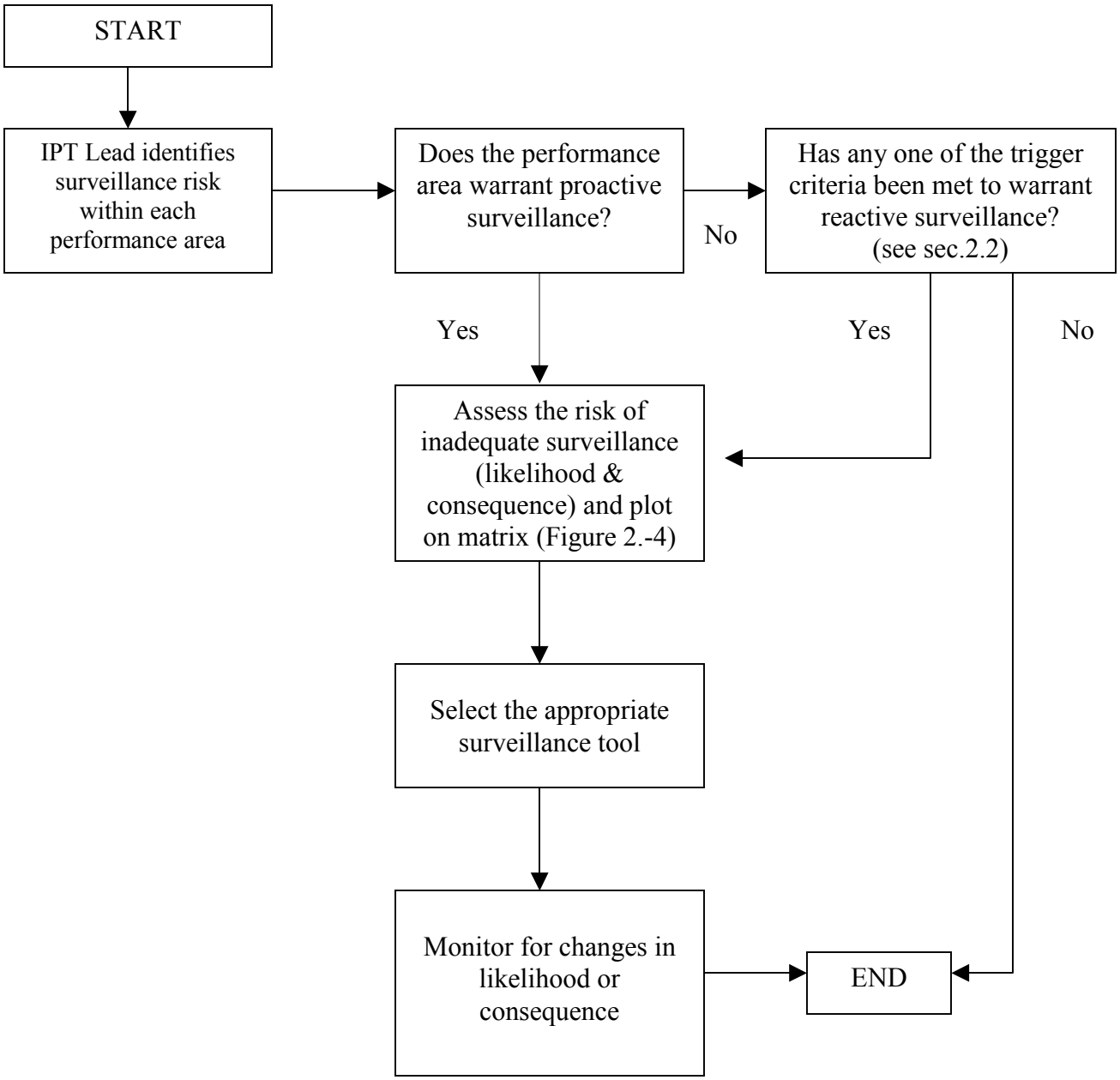
1.3 Documentation: The contractor will provide performance indicators (DR 1.1-3; Report, Contract Performance Metrics) and contract deliverables to the CCSMO. The CCSMO will prepare reports and presentations in support of the award fee process (JDP-P-2726) and store documents as required by the CCSMO Business record template, KSC-R-2746.

2.0 Approach

2.1 Objective: The objective of the Surveillance Plan is to provide an assessment of the J-BOSC's overall contract performance. Resultant assessment will be forwarded to the COTR for use in the J-BOSC Award Fee Report in accordance with the process JDP-P-2726, Determining Weighted Evaluation Score. Surveillance activities will be conducted continuously throughout each award fee period to obtain a complete perspective of J-BOSC performance.

2.2 Methodology: Performance surveillance will be accomplished through continual monitoring and verification of contract status and analysis of records to ensure that specific requirements are met. Surveillance can be performed in an insight, oversight or a combination mode as determined by the Government using a risk-based decision process. Surveillance tools are described in section 2.4. IPT leads will use the Contract Surveillance Risk Decision Tree (Figure 2-1) to determine whether proactive or reactive surveillance is needed. Proactive surveillance involves surveillance of critical contract areas that significantly affect performance, people, and/or government or contractor assets. Reactive surveillance is initiated in response to one of several "trigger" criteria where the government desires a better understanding of the contractor performance area in question. The trigger criteria are: Repeated negative customer comments (feedback), a weakness identified in the award fee report, a contract service or operational disruption, a potential contract service or operational disruption, or negative findings identified in an internal or external audit.

Figure 2-1 Contract Surveillance Risk Decision Tree



2.3 Risk Analysis: Once the decision is made that the performance area warrants surveillance a further analysis is necessary to determine the potential likelihood of an adverse effect and worst case consequences if the government chooses not to perform surveillance. A qualitative assessment of the risk is the preferred method of assessment based on the best judgment of the IPT lead responsible for the performance area. Additional expertise may be called upon by the IPT lead to provide a better assessment, where necessary. The definition used as guidelines in estimating likelihood and consequences are shown in Figure 2-2 and 2-3. The definitions for consequences of the various classifications of risk (safety & health, mission success, etc.) were established such that they are comparable at the various levels between classifications. This allows different types of risk to be compared and ranked consistently. Once likelihood and consequences have been estimated, the level of risk is determined by plotting on a risk matrix Figure 2-4.

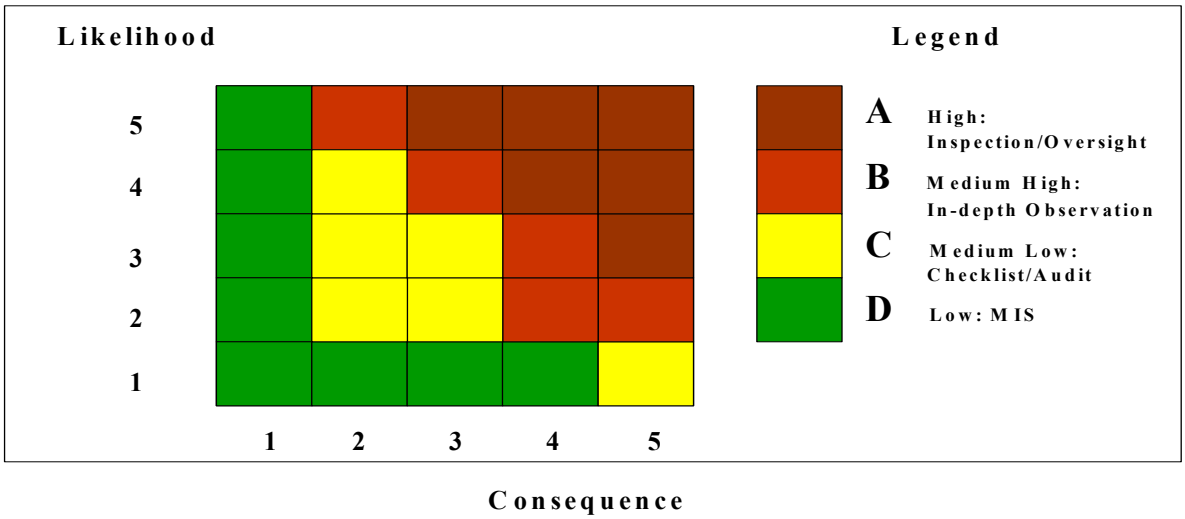
Figure 2-2 Likelihood of Adverse Effect

LIKELIHOOD	
What is the likelihood of adverse effect if the government does not routinely provide proactive insight?	
Level	
5	There is a high likelihood of immediate adverse effect.
4	Likelihood of occurrence is moderate, adverse effect will probably occur in time.
3	Likelihood of occurrence is low; adverse effect may occur in time if no action is taken.
2	Likelihood of occurrence is remote, adverse effect could occur if conditions continue to deteriorate.
1	Occurrence is unlikely. Has never occurred but could happen.

Figure 2-3 Consequence

CONSEQUENCES					
What is the consequence if the government does not routinely provide proactive insight?					
Level	**1**	**2**	**3**	**4**	**5**
Safety and Health	Light Damage or minor injuries	Incidents with minor facility or equipment damage or < 30 lost workdays.	Moderate damage to facility or equipment. Type C damage mishap or > 30 lost workdays	Serious damage to facility or equipment. One or more permanent disabling injuries. Type B Mishap	Fatal injury and/or loss of one or more critical or mission essential F/S/E/U. Type A Mishap
Mission Success	Minor reduction in mission critical products & service	Minor reduction in more than one mission critical products & services.	Major reduction in mission critical products & service.	Major reductions in multiple mission critical products & services.	Complete loss of a mission critical product, service or F/S/E/U.
Product, Service, F/S/E/U Condition	Minor reduction in timeless, quality, condition of product service, F/S/E/U	Minor reduction in timeliness, quality, condition of multiple products, services, F/S/E/U.	Moderate reduction in timeless, quality, condition of product, services, F/S/E/U	Major reduction in timeliness & quality, condition of products, services, F/S/E/U	Unable to deliver product or service, F/S/E/U destroyed.

Figure 2-3: Risk Matrix



2.4 Surveillance Tools: The following is a description of the surveillance tools that may be utilized by the CCSMO for performance assessment. This list of tools is not exhaustive. If it becomes evident that additional tools are necessary and available, they may be added to the list. The descriptions are ranked from the least intrusive method to the most. It is anticipated that the type of surveillance method utilized will be based on relative risk of the technical area. For example, the more critical the area, the more intrusive the method of surveillance. However, the CCSMO can use any of these tools at any time for any of the technical areas.

2.4.1 Customer feedback is a reactive tool based on input from the customers with the primary purpose to provide performance feedback to CCSMO. This tool may be used as an indicator to increase government surveillance through use of different surveillance tools. Customer feedback will generally not be the only tool used for critical processes and activities.

2.4.2 Management information Systems (MIS) provide proactive insight into contractor performance through assessment of contractor or government generated data. The data will include performance indicators provided by the contractor. In most cases, the contractor will generate this data in order to manage their processes. The data and output of the MIS will be validated as necessary by the CCSMO to assure that it is factual and accurately reflects the contractor's performance.

2.4.3 Checklists are used to conduct surveys and perform either reactive or proactive audits to gather inputs to determine whether or not a service is being provided. Survey checklists are used to gather subjective inputs to determine whether or not a service was provided. Surveys collect people's feelings and judgments and may not necessarily reflect the quality of the service. Audit checklists are used to collect findings of fact related to contract requirements. An audit checklist is provided in Appendix D.

2.4.4 In-depth observation entails the CCSMO, or other designated government representative, directly observing the contractor during performance of work. This tool may be used where work involves tasks which present high risk to program assets; however, use of the tool is not limited to such critical activities. This surveillance method does not represent a constraint to the contractor's authority to proceed. In-depth observation allows the government to have real-time insight into contractor performance. The checklist shown in Appendix D shall be utilized for identifying areas to be scrutinized by in-depth observation.

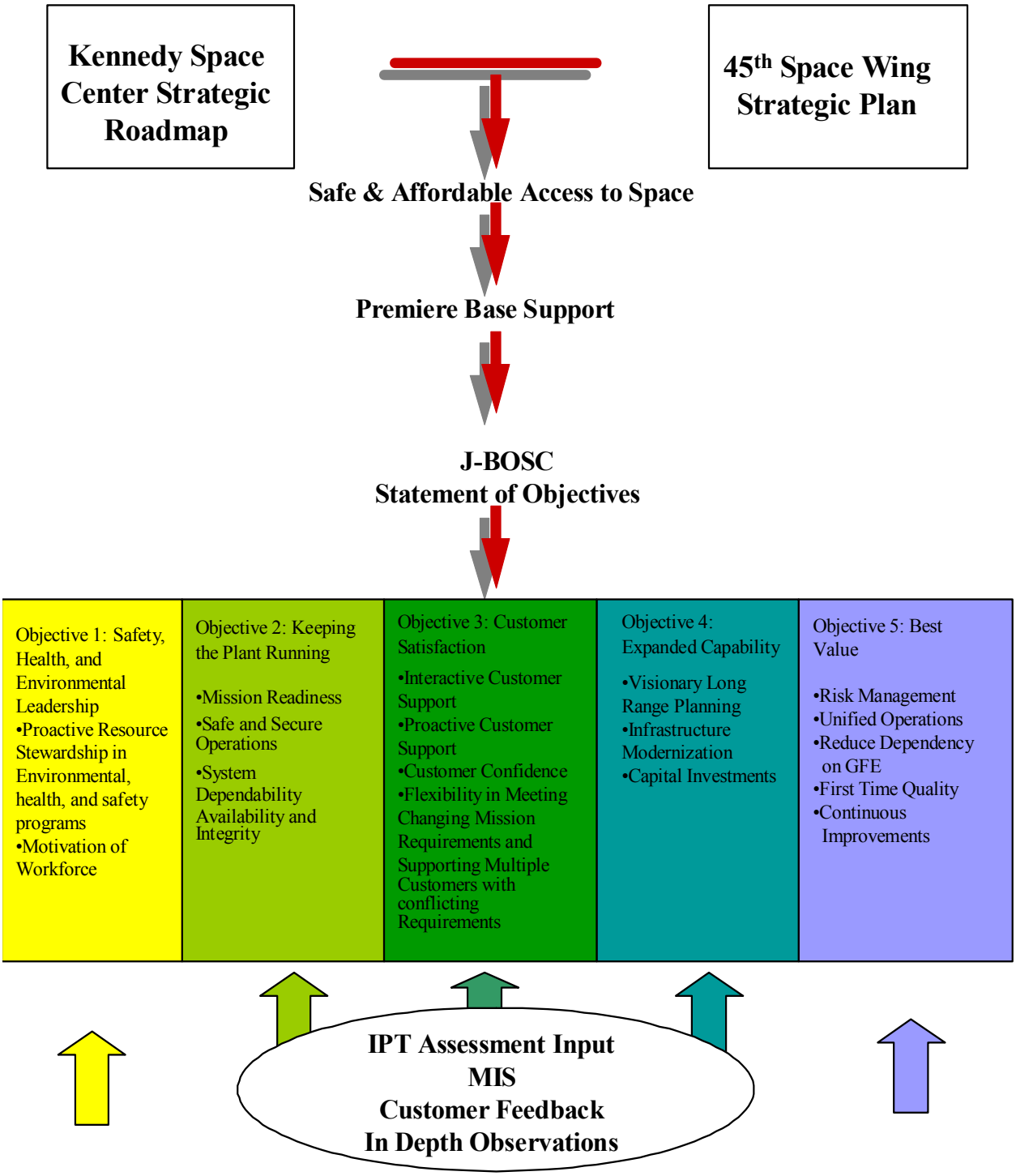
A contractor-wide risk analysis is performed when the contract is initialed and within one year of exercising the option period(s). Based on the current risk analysis, the table in Appendix B designates those performance areas requiring proactive surveillance and lists the highest-level tool to be routinely used. The contractor provided Program Level Metrics (DR 1.1-3) is the basis for a CCSMO and J-BOSC partnering effort and is the basis of contract insight. All other surveillance activities described above will augment this insight to allow the government greater understanding of contractor performance and associated processes. These Program Level metrics are the minimal level of surveillance and are aligned with the objectives identified in Section 1.1 of this document. These performance indicators will be reviewed and modified as required through partnering. Partnering will continue throughout the life of the contract to ensure that performance indicators remain valid and relevant to government priorities and contractor performance.

2.5 Assessment: The CCSMO provides continuous assessment of the contractor's performance. Surveillance assessments include the review of customer feedback and contractor performance data gathered utilizing the tools references in Section 2.4. For conducting audits or in-depth observation, Appendix C is a guide for conducting these types of surveillance activities. The data is processed into information. Analysis of this information is used to determine the level of performance. The validity and accuracy of contractor provided data is verified by CCSMO/IPTs either through surveillance of activities or through review of each data element. These assessments ensure receipt of the quantity and kinds of products and services required by the contract and will become inputs for the evaluation of contractor operational and cost performance.

2.6 Evaluation: The COTR, in conjunction with CO and CCSMO, is responsible for summarizing the contractor's performance utilizing the IPT's surveillance inputs to judge the level of contractor performance in meeting the J-BOSC objectives. JPD-P-2726 is the process followed to evaluate the contractor.

Appendix A

J-BOSC Surveillance



Appendix B

J-BOSC Risk-based Surveillance
Performance Areas Requiring Proactive Surveillance

WBS	Risk Assessment Code	Tool
1.0 Project Management	D	
1.1 Management & Control	D	MIS
1.2 Safety & Mission Assurance	C	CHECKLIST/AUDIT
1.3 Financial Management	D	MIS
1.4 Quality and Systems Assurance	D	MIS
2.0 Public Works		
2.1.1-2.1.1.3 & 2.1.1.5 & 4.0 Engineering Services	D	MIS
2.1.4 Energy & Water Conservation	D	MIS
2.2 Infrastructure		
2.2 Infrastructure: Facilities Timeliness Metrics	D	MIS
2.2.1 Facilities, Systems, Equipment, Utilities * Electrical * Mechanical * Work Management * Structural	D	MIS
a. Critical/mission essential f/s/e/u availability	C	CHECKLIST/AUDIT
2.2.2-2.2.4 Refuse, Pest Control and Grounds Maintenance and Custodial	D	MIS
3.0 Base Support Services		
3.1 Protective Services		
3.1.1 Fire Protection Program	D	MIS
3.1.2 Security	D	MIS
3.1.3 Emergency Preparedness & JCCC	D	MIS
3.2 Logistics		
3.2.1 Logistic Services	D	MIS
3.2.2 Vehicle Operation & Maintenance	D	MIS
3.2.3 Laboratories	D	MIS
3.2.4 Propellants & Life Support	C	CHECKLIST/AUSIT

3.2.5 Air Field Services	D	MIS
3.2.6 Hazardous and Controlled Waste	D	MIS
3.3 Information Technology	D	MIS
3.4 Administrative Services	D	MIS
3.5 Medical, Environmental Health & Environmental Management		
3.5.1 Medical	D	MIS
3.5.2 Environmental Health Services	D	MIS
3.5.3 Environmental Management	D	MIS

Appendix C
CCSMO AUDIT PROCEDURE

Introduction

This document is a procedure for the establishment, implementation, and analysis of contract audits and in-depth observations performed by CCSMO to validate contractor performance and/or conformance to a policy, standard, or process. Below are the main steps to perform an audit/in-depth observation. The term audit used in this document will also include in-depth observation, since the same process can be followed for both types of surveillance tool. These steps can be tailored by the audit team as needed to be applicable to the area under either a proactive or reactive surveillance requirement, as described in section 2.2 of the CCSMO Surveillance Plan.

1. Communicate Intent to Perform Audit with Contractor

The intent to perform a CCSMO Audit must be communicated to the responsible Joint-Base Operations Support Contract (J-BOSC) functional management to be assessed. The communication, whether written or verbal, should contain the following as a minimum:

1. Area of audit
2. Rationale for audit
3. Schedule
4. Requested contractor support

During communication with contractor management, request to have the contractor identify a liaison element to the audit team as an advisor or commentator. The contractor support liaison will be utilized to ensure the audit teams goals and objectives are being met and that operations are uninterrupted.

2. Identify IPT Team Membership

Team membership for the Audits is at the discretion of the CCSMO integrated Product Team (IPT) Lead. Membership will be dependant on the focus area and the rationale for the audit. Membership potentially can include the following:

1. CCSMO (Mandatory)
2. Government and Industry Subject Matter Experts (SME)
3. Air Force (AF) personnel
4. Ad Hoc as deemed appropriate

3. Develop Audit Schedule and Checklist

Once staffed, the audit team will build a schedule outlining the key milestones and timelines for the accomplishment of the audit. This schedule will be pre-coordinated with the cognizant contractor management to ensure that the audit does not conflict or interfere with critical operations or launch processing activities. A checklist of relevant data, documentation, and other information will also be developed identifying audit team personnel responsible for the

validation or verification of the activity. A template of the Audit Checklist is contained in Appendix D.

4. Acquire Relevant Data and Documentation

The audit team obtains the data and documentation identified in the checklist. It should be the goal of the audit team to minimize the impact of the audit on the contractor workforce and to gather and acquire this data internally. The data and documentation required by the team should be that already produced by the contractor in the performance of the contract and the current format sufficient for the audit. If additional data is required, or if the data needs to be reformed to meet the audit team goals and objectives, contract direction may be required. These requests should be coordinated with the CCSMO Contracting Office. The data and documentation gathered should be read prior to the performance of the audit. Team meetings can be convened to discuss the relevant data and documentation to ensure all members have a common understanding of the targeted processes and procedures.

Suggested data and documentation to be acquired include, but be not limited to, the following:

- Training Records
- Functional Area Plans
- PRACA or other problem reports
- Integration Office Metrics
  - Contract Level
  - Drill Down
  - Supporting
- Standard Practices and Procedures (SPP)
- Military Standards and Specifications
- Drawings/Facility Plans
- Historical "As-run" documents
- NASA and KSC Guidance documents (NPG, KDP, etc)
- Work Volume Indicators

5. Conduct Entrance Briefing with Contractor

Prior to officially initiating the audit, an entrance briefing will be conducted. This briefing will be provided to the contractor work team in the functional area identified for the audit. The briefing will identify the audit team members, audit rationale, the processes and procedures that will be followed, the schedule or timelines in which audit events will be accomplished, and expected outcome. A question and answer (Q&A) period will be an integral portion of the briefing to discuss employee issues and concerns.

The entrance briefing is critical to set the tone of the audit and to achieve maximum cooperation from the employees.

6. Interviews with Key Personnel

The audit team will identify key contractor personnel that perform in the focus area of the audit. Audit team members will be assigned to interview these personnel (contractor and customers) to

discuss and document their roles and responsibilities associated with the process and their evaluation of potential process improvements and failure points.

7. Observation of Operations/Processes

The audit team, on a non-interference basis (NIB), will observe operations and particular portions of the process undergoing the audit. The observation can be a single event or a multitude of events over the course of a few weeks to provide a more representative sampling of the activity. The contractor support liaison will provide commentary during the observation of key activities and answer questions related to the processes. This will significantly reduce the impact to the ongoing operations. A stoppage, however, of the workflow can be temporarily halted to obtain information from the involved employees with the concurrence of the contractor support liaison.

Emphasis during the observation should be placed in the following areas of planning, set-up, operational safety and health issues and concerns, cycle times, workload, process inputs and outputs, performance to documentation, tools and equipment, and post-activity breakdown.

8. Team Discussions and Evaluations

Following the observation of the process, the team members will immediately and individually synthesize and document the results of the interviews and observations of the process operations assessed.

9. Develop Report and Brief Management

The CCSMO IPT Lead is then tasked to develop a briefing package for the appropriate Contractor management levels and responsible government points of contact.
The briefing to management can be accomplished in an integrated forum or individually as schedules allow. All members of the audit team are encouraged to attend the briefing. An audit report is required to be written by the CCSMO IPT lead. The audit report shall include, in detail, the activities that occurred in performing the tasks related to paragraphs 1-8 of this procedure. The report shall also provide a description of the audit findings. For all nonconformance items, a problem notice must be initialed as per JDP-P-2740. For observations, JDP-P-2740 is not required to be followed.

Appendix D
Audit Checklist

Process/Activity to be reviewed: **Performed By (All Participants):**

Location of Activity:

Contractor Personnel Interviewed:

Phone Number:

Requirements/Attribute of the Activity /Process:

Nonconformance/Observation (Circle One) (if nonconformance, follow JDP-P-2740):

Requirement/Attribute of the Activity /Process:

Nonconformance/Observation (Circle One) (If nonconformance, follow JDP-P-2740):

Requirement/Attribute of the Activity/Process:

Nonconformance/Observation (Circle One) (If nonconformance, follow JDP-P-2740):

Requirement/Attribute of the Activity/Process:

Nonconformance/Observation (Circle One) If nonconformance, follow JDP-P-2740):

Comments: